

# **Exhibit 3**

Facility Number

52 - 2

- Division of Water Quality
- Division of Soil and Water Conservation
- Other Agency \_\_\_\_\_

Type of Visit     Compliance Inspection     Operation Review     Structure Evaluation     Technical AssistanceReason for Visit     Routine     Complaint     Follow up     Referral     Emergency     Other     Denied AccessDate of Visit: 2-4-11 Arrival Time: 1:10pm Departure Time: \_\_\_\_\_ County: Jones Region: WardFarm Name: McLashorn Livestock Farm (Banks) Owner Email: \_\_\_\_\_Owner Name: Donald Taylor Phone: \_\_\_\_\_

Mailing Address: \_\_\_\_\_

Physical Address: \_\_\_\_\_

Facility Contact: David Anderson Title: \_\_\_\_\_ Phone No: \_\_\_\_\_Onsite Representative: David Anderson Integrator: MurphyCertified Operator: Donald Taylor Operator Certification Number: \_\_\_\_\_

Back-up Operator: \_\_\_\_\_ Back-up Certification Number: \_\_\_\_\_

Location of Farm: Latitude: 36° 10' 00" Longitude: 95° 00' 00"

|  |                 |                    |                                    |                 |                    |   |                 |                    |
|--|-----------------|--------------------|------------------------------------|-----------------|--------------------|---|-----------------|--------------------|
| Swine  | Design Capacity | Current Population | Wet Poultry                        | Design Capacity | Current Population | Cattle                                  | Design Capacity | Current Population |
| <input type="checkbox"/> Wean to Finish              |                 |                    | <input type="checkbox"/> Layer     |                 |                    | <input type="checkbox"/> Dairy Cow      |                 |                    |
| <input checked="" type="checkbox"/> Wean to Feeder   | <u>4380</u>     | <u>0</u>           | <input type="checkbox"/> Non-Layer |                 |                    | <input type="checkbox"/> Dairy Calf     |                 |                    |
| <input checked="" type="checkbox"/> Feeder to Finish | <u>10320</u>    | <u>10200</u>       |                                    |                 |                    | <input type="checkbox"/> Dairy Heifer   |                 |                    |
| <input type="checkbox"/> Farrow to Wean              |                 |                    |                                    |                 |                    | <input type="checkbox"/> Dry Cow        |                 |                    |
| <input type="checkbox"/> Farrow to Feeder            |                 |                    |                                    |                 |                    | <input type="checkbox"/> Non-Dairy      |                 |                    |
| <input type="checkbox"/> Farrow to Finish            |                 |                    |                                    |                 |                    | <input type="checkbox"/> Beef Stocker   |                 |                    |
| <input type="checkbox"/> Gilts                       |                 |                    |                                    |                 |                    | <input type="checkbox"/> Beef Feeder    |                 |                    |
| <input type="checkbox"/> Boars                       |                 |                    |                                    |                 |                    | <input type="checkbox"/> Beef Brood Cow |                 |                    |
| <b>Other</b>   |                 |                    |                                    |                 |                    |   |                 |                    |
| <input type="checkbox"/> Other                       |                 |                    |                                    |                 |                    |   |                 |                    |

|  |                 |                    |                                       |                 |                    |   |                 |                    |
|--|-----------------|--------------------|---------------------------------------|-----------------|--------------------|---|-----------------|--------------------|
| Swine  | Design Capacity | Current Population | Wet Poultry                           | Design Capacity | Current Population | Cattle                                  | Design Capacity | Current Population |
| <input type="checkbox"/> Wean to Finish              |                 |                    | <input type="checkbox"/> Layer        |                 |                    | <input type="checkbox"/> Dairy Cow      |                 |                    |
| <input checked="" type="checkbox"/> Wean to Feeder   | <u>4380</u>     | <u>0</u>           | <input type="checkbox"/> Non-Layer    |                 |                    | <input type="checkbox"/> Dairy Calf     |                 |                    |
| <input checked="" type="checkbox"/> Feeder to Finish | <u>10320</u>    | <u>10200</u>       |                                       |                 |                    | <input type="checkbox"/> Dairy Heifer   |                 |                    |
| <input type="checkbox"/> Farrow to Wean              |                 |                    |                                       |                 |                    | <input type="checkbox"/> Dry Cow        |                 |                    |
| <input type="checkbox"/> Farrow to Feeder            |                 |                    |                                       |                 |                    | <input type="checkbox"/> Non-Dairy      |                 |                    |
| <input type="checkbox"/> Farrow to Finish            |                 |                    |                                       |                 |                    | <input type="checkbox"/> Beef Stocker   |                 |                    |
| <input type="checkbox"/> Gilts                       |                 |                    |                                       |                 |                    | <input type="checkbox"/> Beef Feeder    |                 |                    |
| <input type="checkbox"/> Boars                       |                 |                    |                                       |                 |                    | <input type="checkbox"/> Beef Brood Cow |                 |                    |
| <b>Dry Poultry</b>                                   |                 |                    |                                       |                 |                    |   |                 |                    |
| <input type="checkbox"/> Layers                      |                 |                    | <input type="checkbox"/> Layers       |                 |                    | <input type="checkbox"/> Dairy Cow      |                 |                    |
| <input type="checkbox"/> Non-Layers                  |                 |                    | <input type="checkbox"/> Non-Layers   |                 |                    | <input type="checkbox"/> Dairy Calf     |                 |                    |
| <input type="checkbox"/> Pullets                     |                 |                    | <input type="checkbox"/> Pullets      |                 |                    | <input type="checkbox"/> Dairy Heifer   |                 |                    |
| <input type="checkbox"/> Turkeys                     |                 |                    | <input type="checkbox"/> Turkeys      |                 |                    | <input type="checkbox"/> Dry Cow        |                 |                    |
| <input type="checkbox"/> Turkey Poult                |                 |                    | <input type="checkbox"/> Turkey Poult |                 |                    | <input type="checkbox"/> Non-Dairy      |                 |                    |
| <input type="checkbox"/> Other                       |                 |                    | <input type="checkbox"/> Other        |                 |                    | <input type="checkbox"/> Beef Stocker   |                 |                    |

Number of Structures: 3**Discharges & Stream Impacts**

1. Is any discharge observed from any part of the operation?

 Yes  No  NA  NEDischarge originated at:  Structure  Application Field  Other

- a. Was the conveyance man-made?  Yes  No  NA  NE
- b. Did the discharge reach waters of the State? (If yes, notify DWQ)  Yes  No  NA  NE
- c. What is the estimated volume that reached waters of the State (gallons)? \_\_\_\_\_
- d. Does discharge bypass the waste management system? (If yes, notify DWQ)  Yes  No  NA  NE

2. Is there evidence of a past discharge from any part of the operation?

 Yes  No  NA  NE

3. Were there any adverse impacts or potential adverse impacts to the Waters of the State other than from a discharge?

 Yes  No  NA  NE

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Date of Inspection 24-11

Waste Collection & Treatment

4. Is storage capacity (structural plus storm storage plus heavy rainfall) less than adequate?

a. If yes, is waste level into the structural freeboard?

|               |             |             |             |             |             |
|---------------|-------------|-------------|-------------|-------------|-------------|
| Structure 1   | Structure 2 | Structure 3 | Structure 4 | Structure 5 | Structure 6 |
| Identifier: 3 | 2           | 1           |             |             |             |

Spillway?: \_\_\_\_\_

Designed Freeboard (in): \_\_\_\_\_

Observed Freeboard (in): 12 12 18

5. Are there any immediate threats to the integrity of any of the structures observed?  
(ie/ large trees, severe erosion, seepage, etc.) Yes  No  NA  NE6. Are there structures on-site which are not properly addressed and/or managed  
through a waste management or closure plan? Yes  No  NA  NE**If any of questions 4-6 were answered yes, and the situation poses an immediate public health or environmental threat, notify DWQ**

7. Do any of the structures need maintenance or improvement?

 Yes  No  NA  NE8. Do any of the structures lack adequate markers as required by the permit?  
(Not applicable to roofed pits, dry stacks and/or wet stacks) Yes  No  NA  NE9. Does any part of the waste management system other than the waste structures require  
maintenance or improvement? Yes  No  NA  NEWaste Application10. Are there any required buffers, setbacks, or compliance alternatives that need  
maintenance/improvement? Yes  No  NA  NE

11. Is there evidence of incorrect application? If yes, check the appropriate box below.

 Yes  No  NA  NE Excessive Ponding  Hydraulic Overload  Frozen Ground  Heavy Metals (Cu, Zn, etc.) PAN  PAN > 10% or 10 lbs  Total Phosphorus  Failure to Incorporate Manure/Sludge into Bare Soil Outside of Acceptable Crop Window  Evidence of Wind Drift  Application Outside of Area12. Crop type(s) wheat, corn, SB13. Soil type(s) Nahunta, Crahan, Grantham

14. Do the receiving crops differ from those designated in the CAWMP?

 Yes  No  NA  NE

15. Does the receiving crop and/or land application site need improvement?

 Yes  No  NA  NE

16. Did the facility fail to secure and/or operate per the irrigation design or wettable acre determination?

 Yes  No  NA  NE

17. Does the facility lack adequate acreage for land application?

 Yes  No  NA  NE

18. Is there a lack of properly operating waste application equipment?

 Yes  No  NA  NE**Comments (refer to question #): Explain any YES answers and/or any recommendations or any other comments.****Use drawings of facility to better explain situations. (use additional pages as necessary):**

SOCS & Permit  
from previous  
owner in records

waste analysis 1-27-11 3.3 1.6 .97

\* small grain (wheat) coming up & established

Reviewer/Inspector Name Megan H. Stiles

Phone: 948-3947

Reviewer/Inspector Signature: M. Stiles

Date: 2-4-11

Facility Number: 52-2

Date of Inspection 2-4-11

Required Records & Documents

19. Did the facility fail to have Certificate of Coverage & Permit readily available?  Yes  No  NA  NE
20. Does the facility fail to have all components of the CAWMP readily available? If yes, check the appropriate box.  WUP  Checklists  Design  Maps  Other  Yes  No  NA  NE
21. Does record keeping need improvement? If yes, check the appropriate box below.  Waste Application  Weekly Freeboard  Waste Analysis  Soil Analysis  Waste Transfers  Annual Certification  
 Rainfall  Stocking  Crop Yield  120 Minute Inspections  Monthly and 1" Rain Inspections  Weather Code  Yes  No  NA  NE
22. Did the facility fail to install and maintain a rain gauge?  Yes  No  NA  NE
23. If selected, did the facility fail to install and maintain rainbreakers on irrigation equipment?  Yes  No  NA  NE
24. Did the facility fail to calibrate waste application equipment as required by the permit?  Yes  No  NA  NE
25. Did the facility fail to conduct a sludge survey as required by the permit?  Yes  No  NA  NE
26. Did the facility fail to have an actively certified operator in charge?  Yes  No  NA  NE
27. Did the facility fail to secure a phosphorus loss assessment (PLAT) certification?  Yes  No  NA  NE

Other Issues

28. Were any additional problems noted which cause non-compliance of the permit or CAWMP?  Yes  No  NA  NE
29. Did the facility fail to properly dispose of dead animals within 24 hours and/or document and report the mortality rates that were higher than normal?  Yes  No  NA  NE
30. At the time of the inspection did the facility pose an odor or air quality concern? If yes, contact a regional Air Quality representative immediately  Yes  No  NA  NE
31. Did the facility fail to notify the regional office of emergency situations as required by General Permit? (ie/ discharge, freeboard problems, over application)  Yes  No  NA  NE
32. Did Reviewer/Inspector fail to discuss review/inspection with an on-site representative?  Yes  No  NA  NE
33. Does facility require a follow-up visit by same agency?  Yes  No  NA  NE

Additional Comments and/or Drawings: 4 water control structures at facility

\* Facility going to update WUP

\* In process of ~~switching~~ getting change of ownership

Sludge Survey 12-21-10 #1 Thick - 2.9' #2 Thick - 2.7'  
#3 Thick - 2.7' LT2 - 4.0' LT2 - 4.4'  
LT2 - 4.3' pump intake - 4.0' pump intake - 5.8'  
pump intake - 6.0'

Soil Test 12-1-10 w/ highest lime. 9 tons  
Cu & Zn values within range

\* No irrigation under new owner - fields to wet

\* Going to complete Calibration soon

\* Need to submit 5-Day POA for lagoon #2 & #3 <sup>going to get new</sup>  
<sup>markers for</sup>  
<sup>lagoon #2 & #3</sup>